

Hatfield Defends Aid to Financier Who Was Wife's Business Client

By MARTIN TOLCHIN
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WASHINGTON, July 23 — Senator Mark O. Hatfield acknowledged today that he helped a Greek financier seek Federal endorsement of a privately financed trans-African oil pipeline at the same time that the businessman was paying \$40,000 in real estate fees to the Senator's wife.

But Mr. Hatfield, an Oregon Republican who is chairman of the House Appropriations Committee, insisted that he and his wife, Antoinette, had independent careers. He said that he had merely asked two Cabinet officers to study the proposed project and that he had not endorsed it.

"I think it's very unfair of seeing a linkage between her independent career and mine," the Senator, campaigning for a fourth term, told a small group of reporters.

The Senator said his wife had been paid the fees for finding a \$500,000 apartment at the Watergate Hotel for the Greek financier, Basil Tsakos. Ordinarily, the seller pays a brokerage fee, but Mrs. Hatfield had worked so long and diligently to find the property that Mr. Tsakos paid her \$40,000, the Senator said.

Social Ties to Financier

According to the Senator, the real estate fee, which he listed in his financial disclosure report, also covered Mrs. Hatfield's help in supervising the apartment's renovation and in finding investment properties for Mr. Tsakos. Mr. Hatfield said he and his wife had developed a social relationship with Mr. Tsakos and his wife.

The disclosure of Mr. Hatfield's efforts on Mr. Tsakos's behalf, and of the fee paid to Mrs. Hatfield, was made by the columnist Jack Anderson.

Several Congressional wives are real estate brokers, and some critics contend that their husband's jobs help to bring in clients.

"There aren't many things that a wife can do where she's not nailed down to a 9-to-5 situation," Mr. Hatfield said, adding that real estate was therefore a prime business opportunity for wives of Congressmen.

At the time that his wife was working on the Watergate deal, Senator Hatfield said, he had hosted a dinner meeting, in the Senate dining room, to introduce Mr. Tsakos to Donald P. Hodel, Energy Secretary.

Connie Stuart, Mr. Hodel's press secretary, said that after the dinner meeting, Mr. Hodel asked his aides to look into the project, but took no further action. "We did nothing with the African nations or anyone else," she said.

Senator Hatfield said he had also mentioned the project to Defense Secretary Casper W. Weinberger after a White House meeting.

"I said to Cap Weinberger, 'You ought to look at this pipeline that's being discussed around Washington,'" the Senator said.

Although official United States approval was not needed to build the pipeline, endorsement of the project by American officials had been sought by the three African nations through which the pipeline would run: the Sudan, the Central African Republic and the Cameroons. The pipeline's cost is estimated at \$5 billion to \$10 billion.

The Senator said all three nations had approved the pipeline, adding, "The project is on track."

Concerns Over Oil Supply

Senator Hatfield said his sole motivation was to enable the United States to obtain oil from Saudi Arabia in the event that the Persian Gulf were closed. The pipeline would carry Saudi oil across Central Africa from the Red Sea to the Atlantic.

"This appealed to me from a geopolitical point of view," he said. "I'd rather see a pipeline built than send nuclear missiles."

The Senator said that while the project was pending, he had been shown intelligence documents that indicated Mr. Tsakos had dealt in "black market" arms, had illegally exported antiques and had been sentenced to 45 days for withholding and pilfering Greek government funds. He said that Mr. Tsakos denied the charges and that he had no reason to doubt Mr. Tsakos' veracity.

Mr. Hatfield recalled that his wife brokered the sale of the building that is now the Saudi Arabian Embassy. At that time, he said, "Some people asked, 'Is that because her husband has a pro-Arab position on the Middle East?' Well, I don't have a pro-Arab position, and the seller was Jewish."

The Senator noted that other wives of Senators had been involved in conflict-of-interest charges.

He cited the case of Marion B. Javits.

the wife of former Senator Jacob K. Javits, Republican of New York, who in January 1976 reluctantly resigned her position as a \$67,500-a-year public relations consultant for Iran National Airlines, as well as her position as senior vice president of the public relations firm Ruder and Finn. Conflict-of-interest charges had arisen because Mr. Javits was a high-ranking member of the Senate Foreign Relations Committee.

In April 1976 Senator William Proxmire, Democrat of Wisconsin, was sued for obtaining facilities on Capitol Hill for Washington Whirl-Around, a business operated by his wife, Ellen. In August 1978, a Federal appeals court ruled that "the simple use of one's status in society is not itself illegal."

Mr. Hatfield, asked if he and his wife would discuss guidelines, replied, "I would not put down any rules because that automatically means that she's a second-class citizen."